

EXHIBIT 5



Intellectual Property Rights

Fiscal Year 2019 Seizure Statistics

Prepared by

U.S. Customs and Border Protection
Office of Trade



Homeland
Security

INTELLECTUAL PROPERTY RIGHTS

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Disclaimer: The information contained in this report does not constitute the official trade statistics of the United States. The statistics, and the projections based upon those statistics, are not intended to be used for economic analysis, and are provided for the purpose of establishing U.S. Department of Homeland Security workload.

Executive Summary

Products that infringe upon U.S. trademarks and copyrights or are subject to exclusion orders issued by the United States International Trade Commission (ITC) threaten the health and safety of American consumers and pose risks to our national interests. U.S. Customs and Border Protection (CBP) and U.S. Immigration and Customs Enforcement (ICE) - Homeland Security Investigations (HSI) mitigate the welfare and financial risks posed by imports of such illicit products.

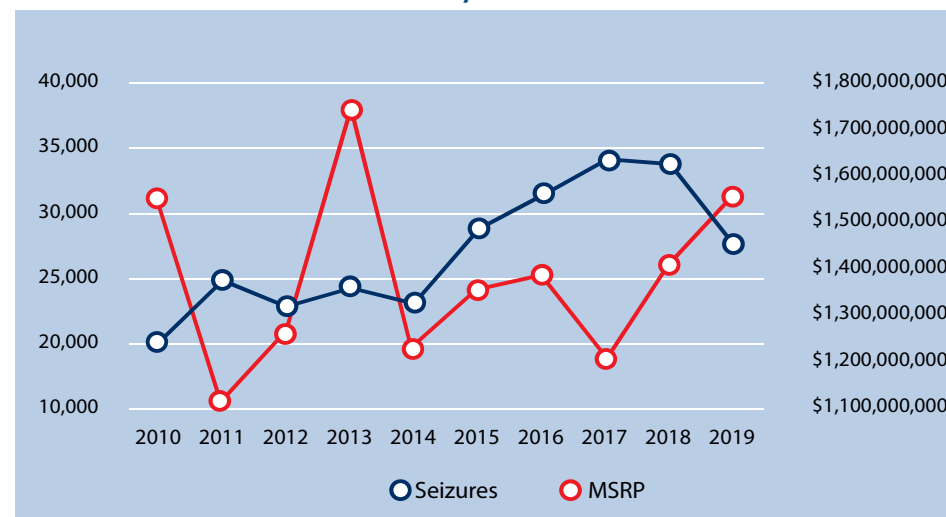
In fiscal year (FY) 2019, CBP processed \$2.7 trillion in imports, equating to 35.5 million entries and more than 28.7 million cargo containers. In addition, CBP processed more than 600 million express consignment and international mail shipments – approximately 1.8 million per day. Department of Homeland Security components remain vigilant in targeting shipments containing IPR-infringing goods, levying civil fines, and criminally investigating those who seek to violate our trade laws, harm our people, and damage our economy.

FY 2019 was another successful year for IPR enforcement. Due to the challenges at the Southern border and the one-month government shutdown, the total number of seizures decreased from 33,810 seizures in FY 2018 to 27,599 seizures in FY 2019. However, the total estimated manufacturer's suggested retail price (MSRP) of the seized goods, had they been genuine, was over \$1.5 billion, up from \$1.4 billion in FY 2018.

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Operational Highlights

IPR Seizure Totals by Fiscal Year



ICE-HSI arrested 256 individuals, obtained 197 indictments, and received 157 convictions related to intellectual property crimes.

CBP's Integrated Trade Targeting Network executed 136 IPR trade special operations. These trade special operations targeted high-risk shipments at seaports, airports, international mail facilities and express carrier hubs across the United States.

The National IPR Coordination Center and CBP conducted "Operation Team Player," in conjunction with Super Bowl LII. This operation focused on imports of counterfeit sports-related merchandise. These efforts resulted in the seizure of nearly 285,000 counterfeit sports-and entertainment-related items worth an estimated \$24.2 million, and 28 arrests with 21 convictions.

In FY 2019, CBP seized 372 shipments pursuant to seizure and forfeiture orders issued by the ITC.

On November 26, 2018, CBP announced a formal partnership with Cisco as a part of the Donations Acceptance Program, a program that enables CBP to accept private sector donations of equipment and technology for IPR enforcement. Through this program, Cisco donated barcode scanner devices as well as provided secure access to purpose-built tooling so that CBP officers and import specialists could quickly scan and verify the authenticity of Cisco merchandise entering the United States.

On August 27, 2019, CBP published a Federal Register notice of proposed rule making (NPRM) to amend regulations on disclosing information on merchandise bearing suspected counterfeit trademarks. This NPRM allows CBP to disclose information otherwise protected by the Trade Secrets Act to a trademark owner when merchandise bearing suspected counterfeit trademarks has been voluntarily abandoned. The deadline to submit comments on the proposed rule was November 15, 2019.

CBP continued its “Truth Behind Counterfeits” IPR public awareness campaign to educate the public about the potential harm of counterfeit goods, that buying counterfeits may support criminal activity, and to encourage people to shop from reputable sources. The campaign ran at major U.S. airports, including Atlanta, Detroit, Chicago, Raleigh, San Antonio, Tampa, Boston, New York, Fort Lauderdale, Dallas, Las Vegas, Baltimore, and Pittsburgh, during the busy 2018 holiday and 2019 summer travel times.

**COUNTERFEIT. DOESN'T
SOUND GOOD, DOES IT?**
WHEN SHOPPING ONLINE,
BUY FROM TRUSTED SOURCES.



The risks of shopping online aren't always obvious.
Be informed about the dangers of counterfeit goods.
Learn more at www.CBP.gov/fakegoodsrealdangers.

**Fake Goods.
Real Dangers.**

www.CBP.gov/FakeGoodsRealDangers



U.S. Customs and
Border Protection

The campaign included online ads on travel websites, in addition to large electronic bulletin board ads that were displayed at the airports. The campaign and its messages about responsible consumer behavior were viewed over 200 million times.

CBP also conducted five “Truth Behind Counterfeits” road show events. These events took place during summer 2019 at the Boston, New York, Dallas, Chicago, and Fort Lauderdale airports, where CBP personnel educated returning travelers about the hazards of counterfeit goods. For additional information about the “Truth Behind Counterfeits”, visit the following link: www.cbp.gov/fakegoodsrealdangers.

In August 2019, at the Asia Pacific Economic Cooperation (APEC) Subcommittee on Customs Procedures (SCCP) meeting held in Puerto Varas, Chile, CBP presented the 2019 SCCP IPR Enforcement Compendium of guidelines and practices. This document includes practical examples of engagement, education, and enforcement practices to assist economies in identifying, interdicting, and deterring IP violations. Twelve economies have provided input to the document: Australia, Chinese Taipei, Hong Kong, Japan, Mexico, New Zealand, Peru, the Philippines, Singapore, Thailand, the United States, and Vietnam.

During FY 2019, CBP collaborated with several industry partners to complete an IPR blockchain proof of concept test. The goal of the test was to assess the blockchain technology as a secure means to provide and receive business proprietary information that can be used for both facilitation and IPR enforcement purposes in real time.

CBP concentrates its IPR border enforcement on federally registered trademarks and copyrights that have been recorded with CBP by their owners using the Intellectual Property Rights e-Recordation (IPRR) system, <https://iprr.cbp.gov/>. CBP administers these recordations using a secure proprietary database. Product ID manuals provided by rights holders are also linked to the database and used by CBP in making IPR border enforcement determinations.

CBP works closely with rights holders in making IPR enforcement determinations. A public database of both active and inactive recordations is available using a search engine called the Intellectual Property Rights Search (IPRS) at <https://iprs.cbp.gov/>. Information on potential IPR infringements can be submitted to CBP using the e-Allegations Online Trade Violation Reporting System at <https://eallegations.cbp.gov/Home/Index2>.

At the close of FY 2019, CBP enforced over 18,735 active recordations.



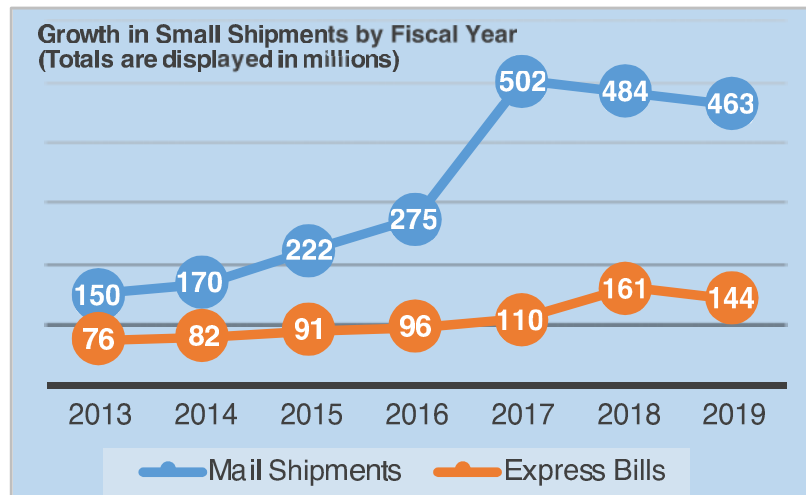
IPR & E-Commerce

E-Commerce sales have contributed to large volumes of low-value packages imported into the United States. In FY 2019, there were 144 million express shipments and 463 million international mail shipments. Over 90 percent of all intellectual property seizures occur in the international mail and express environments.

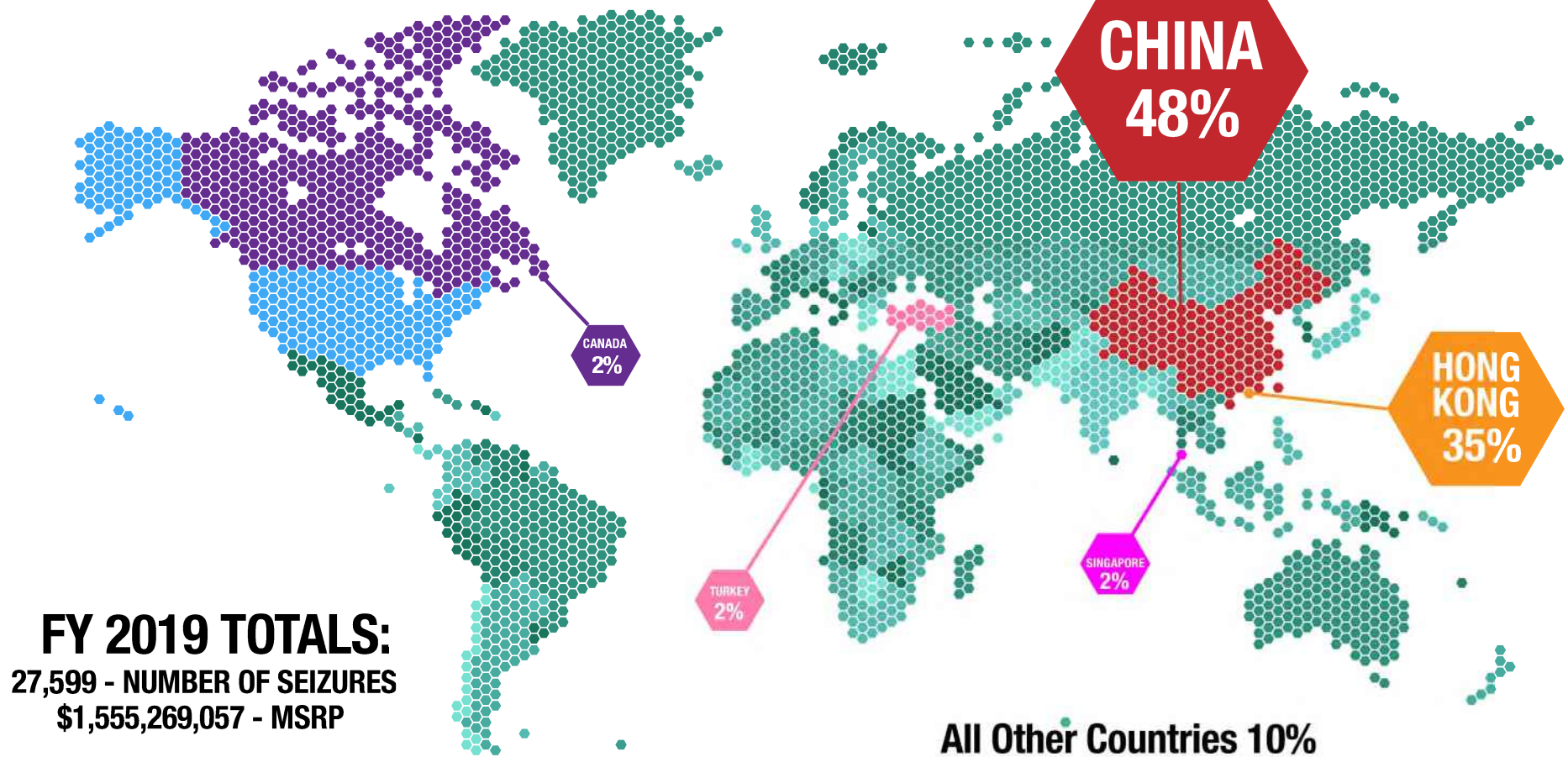
As part of executing CBP's overall e-commerce strategy, CBP announced a Section 321 Data Pilot in collaboration with online marketplaces, carriers, technology firms, and logistics providers to secure e-commerce supply chains and protect American consumers. The pilot will allow CBP to test whether receiving additional advance data, (beyond the current required manifest data) will enable effective targeting on Section 321 shipments.

CBP also implemented the Entry Type 86 test to allow customs brokers and self-filers to transmit electronic *de minimis* entries, along with data required by other U.S. government agencies.

<https://www.cbp.gov/trade/basic-import-export/e-commerce>



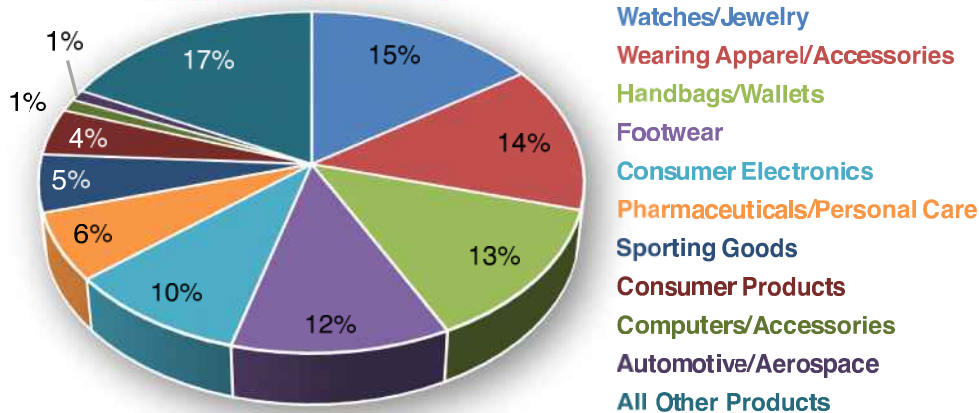
FISCAL YEAR 2019 IPR SEIZURE STATISTICS BY NUMBER OF SEIZURES





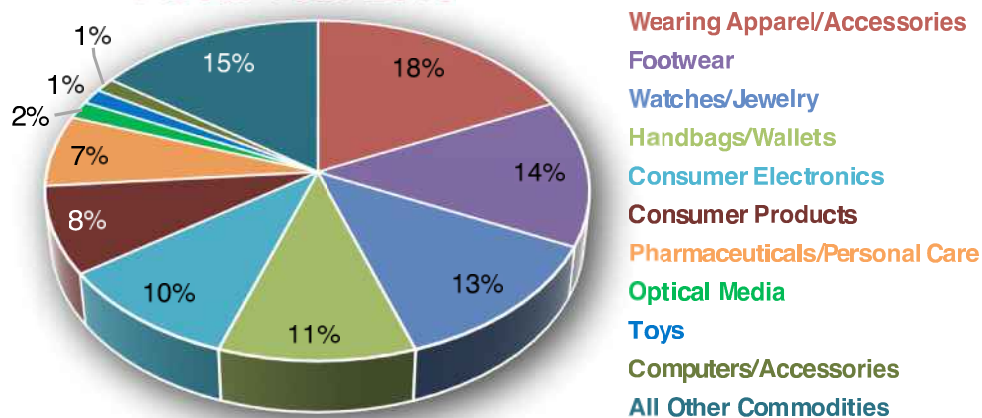
Number of Seizures

Fiscal Year 2019



Number of Seizures: 27,599

Fiscal Year 2018



Number of Seizures: 33,810

Fiscal Year 2019

Products	Seizures	% of Total*
Watches/Jewelry	4,242	15%
Wearing Apparel/Accessories	3,841	14%
Handbags/Wallets	3,653	13%
Footwear	3,249	12%
Consumer Electronics	2,681	10%
Pharmaceuticals/Personal Care	1,779	6%
Sporting Goods	1,510	5%
Consumer Products	1,219	4%
Computers/Accessories	318	1%
Automotive/Aerospace	287	1%
All Other Products	4,820	17%

Number of Seizures

27,599

Fiscal Year 2018

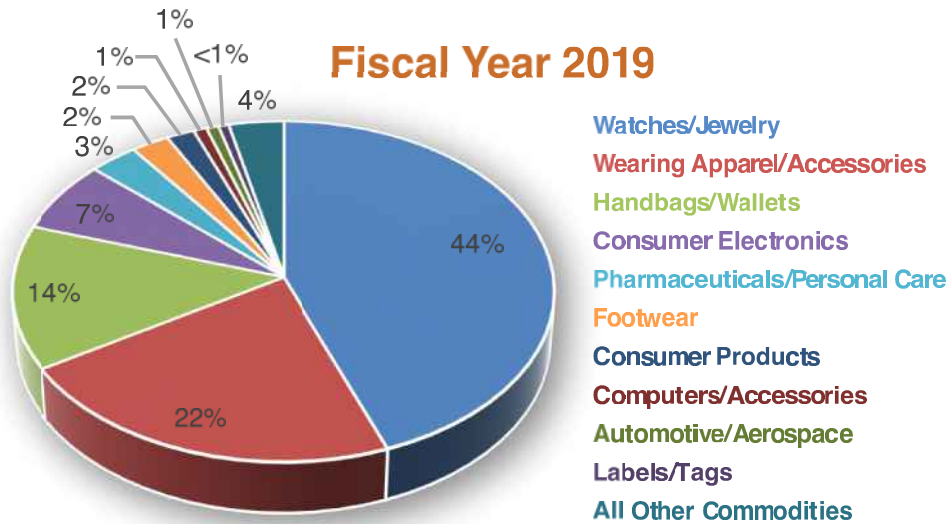
Products	Seizures	% of Total*
Wearing Apparel/Accessories	6,098	18%
Footwear	4,728	14%
Watches/Jewelry	4,291	13%
Handbags/Wallets	3,593	11%
Consumer Electronics	3,388	10%
Consumer Products	2,816	8%
Pharmaceuticals/Personal Care	2,293	7%
Optical Media	561	2%
Toys	487	1%
Computers/Accessories	450	1%
All Other Products	5,105	15%

Number of Seizures

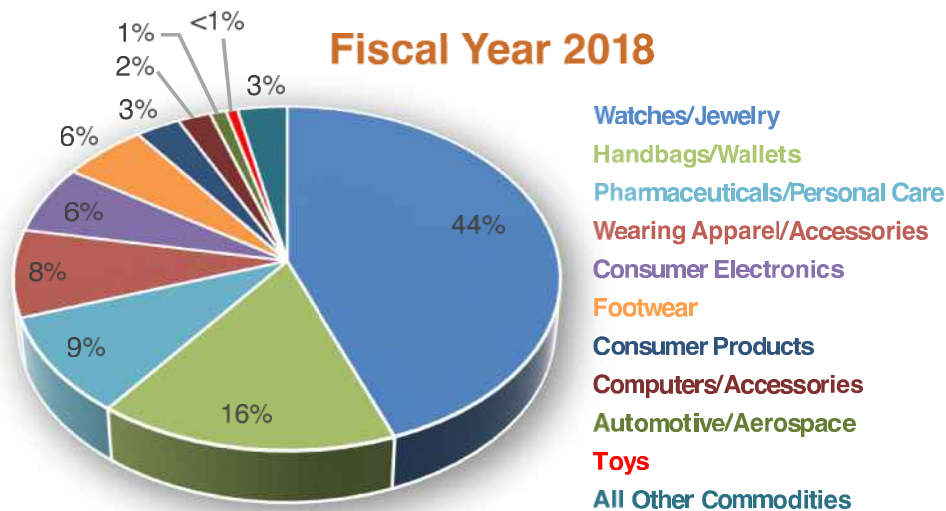
33,810

*Seizures involving multiple product categories are included in the "All Others" category. Because the individual percentage figures are rounded, in some cases, the sum of the rounded percentages for a given fiscal year is slightly higher or lower than 100 percent.

Products Seized by MSRP



Total FY 2019 MSRP \$1,555,269,057



Total FY 2018 MSRP \$1,399,873,842

Fiscal Year 2019

Products	MSRP	% of Total*
Watches/Jewelry	\$687,167,057	44%
Wearing Apparel/Accessories	\$343,732,063	22%
Handbags/Wallets	\$212,781,760	14%
Consumer Electronics	\$105,957,198	7%
Pharmaceuticals/Personal Care	\$48,771,870	3%
Footwear	\$37,994,046	2%
Consumer Products	\$27,907,721	2%
Computers/Accessories	\$13,216,628	1%
Automotive/Aerospace	\$12,142,621	1%
Labels/Tags	\$10,378,772	1%
All Other Commodities	\$55,219,321	4%

Total FY 2019 MSRP \$1,555,269,057
Number of Seizures 27,599

Fiscal Year 2018

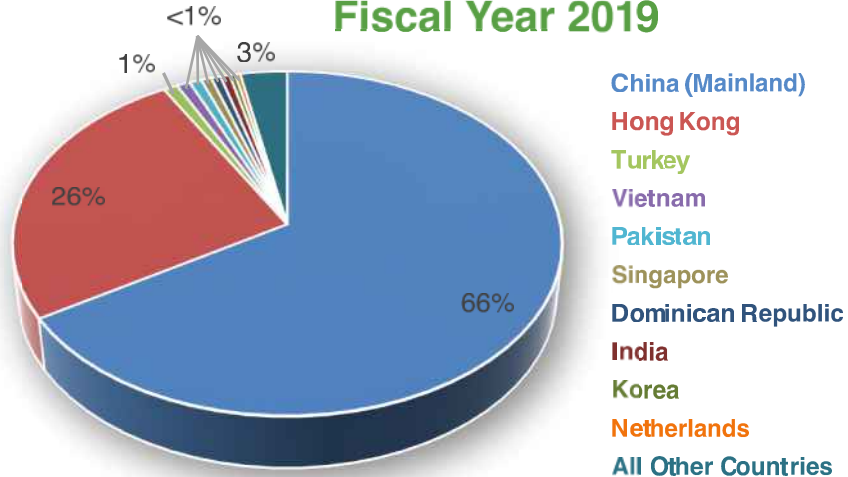
Products	MSRP	% of Total*
Watches/Jewelry	\$618,166,688	44%
Handbags/Wallets	\$226,505,542	16%
Pharmaceuticals/Personal Care	\$131,457,724	9%
Wearing Apparel/Accessories	\$115,163,801	8%
Consumer Electronics	\$89,593,498	6%
Footwear	\$77,500,746	6%
Consumer Products	\$40,846,424	3%
Computers/Accessories	\$29,939,882	2%
Automotive/Aerospace	\$14,861,590	1%
Toys	\$10,590,281	1%
All Other Products	\$45,247,665	3%

Total FY 2018 MSRP \$1,399,873,842
Number of Seizures 33,810

*Seizures involving multiple product categories are included in the "All Others" category. Because the individual percentage figures are rounded, in some cases, the sum of the rounded percentages for a given fiscal year is slightly higher or lower than 100 percent.

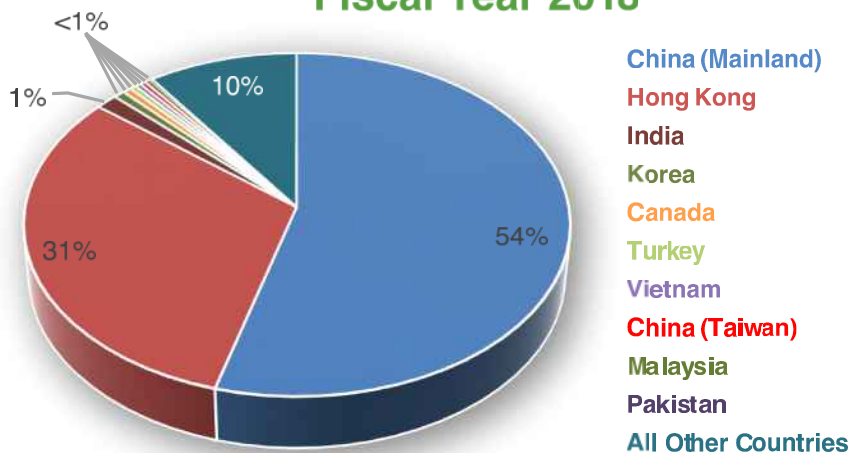
Total MSRP for Products Seized by Economy

Fiscal Year 2019



Total FY 2019 MSRP \$1,555,269,057

Fiscal Year 2018



Total FY 2018 MSRP \$1,399,873,842

Fiscal Year 2019

Trading Partner	MSRP	% of Total*
China (Mainland)	\$1,030,181,869	66%
Hong Kong	\$397,276,566	26%
Turkey	\$14,240,890	1%
Vietnam	\$13,556,034	0.9%
Pakistan	\$12,157,097	0.8%
Singapore	\$10,452,581	0.7%
Dominican Republic	\$9,542,456	0.6%
India	\$9,539,580	0.6%
Korea	\$5,633,115	0.4%
Netherlands	\$4,970,493	0.3%
All Other Countries	\$47,718,377	3%

Total FY 2019 MSRP

\$1,555,269,057

Number of Seizures

27,599

Fiscal Year 2018

Trading Partner	MSRP	% of Total*
China (Mainland)	\$761,115,429	54%
Hong Kong	\$440,344,663	31%
India	\$19,952,488	1%
Korea	\$10,135,531	0.7%
Canada	\$7,798,500	0.6%
Turkey	\$5,759,008	0.4%
Vietnam	\$5,192,261	0.4%
China (Taiwan)	\$5,008,077	0.4%
Malaysia	\$4,674,447	0.3%
Pakistan	\$2,779,413	0.2%
All Other Countries	\$137,114,027	10%

Total FY 2018 MSRP

1,399,873,842

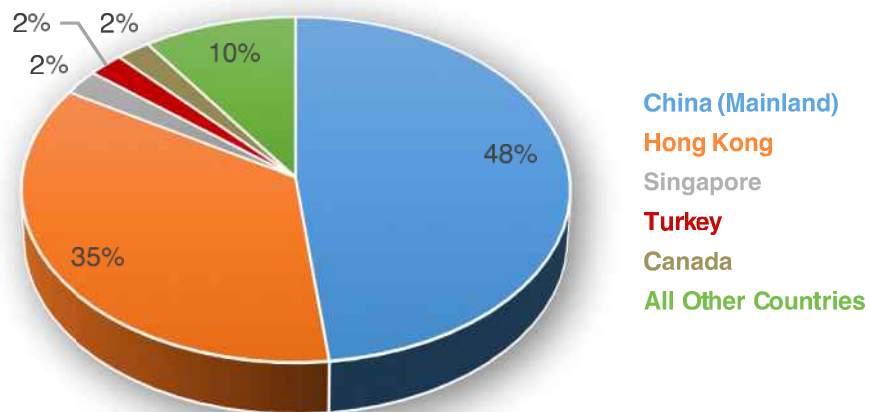
Number of Seizures

33,810

*The aggregate seizure data reflect the reported country of origin, not necessarily where the seized goods were produced. Because the individual percentage figures are rounded, in some cases, the sum of the rounded percentages for a given fiscal year is slightly higher or lower than 100 percent.

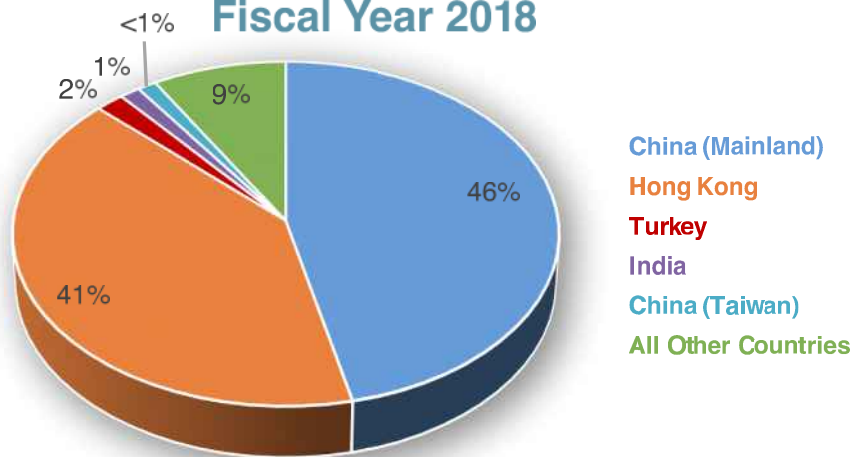
Seizures by Economy

Fiscal Year 2019



Number of Seizures: 27,599

Fiscal Year 2018



Number of Seizures: 33,810

Fiscal Year 2019

Trading Partner	Seizures	% of Total*
China (Mainland)	13,293	48%
Hong Kong	9,778	35%
Singapore	649	2%
Turkey	614	2%
Canada	598	2%
All Other Countries	2,667	10%

Number of Seizures 27,599

Fiscal Year 2018

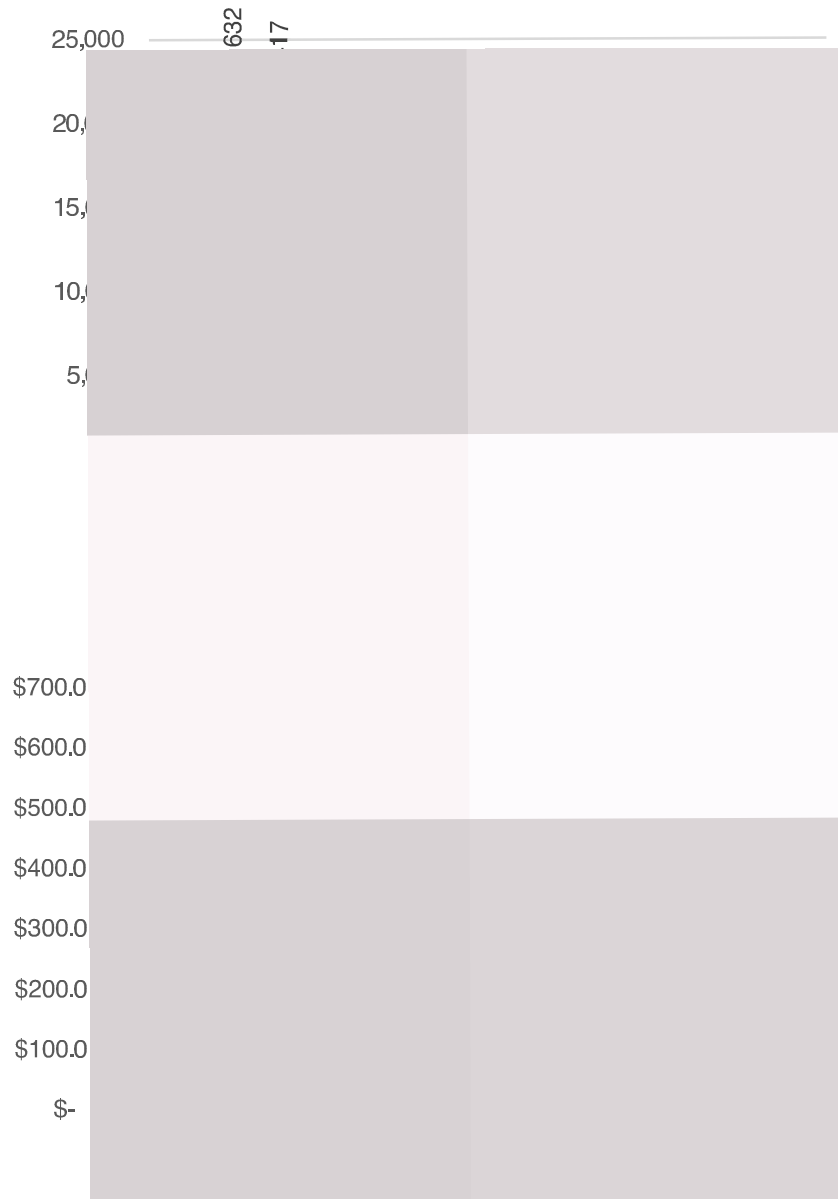
Trading Partner	Seizures	% of Total*
China (Mainland)	15,674	46%
Hong Kong	13,785	41%
Turkey	618	2%
India	439	1%
China (Taiwan)	408	1%
All Other Countries	2,886	9%

Number of Seizures 33,810

*The aggregate seizure data reflect the reported country of origin, not necessarily where the seized goods were produced. Because the individual percentage figures are rounded, in some cases, the sum of the rounded percentages for a given fiscal year is slightly higher or lower than 100 percent.

Seizures by Mode of Transportation

Seizures



Estimated Manufacturer's Suggested Retail Price (in millions)

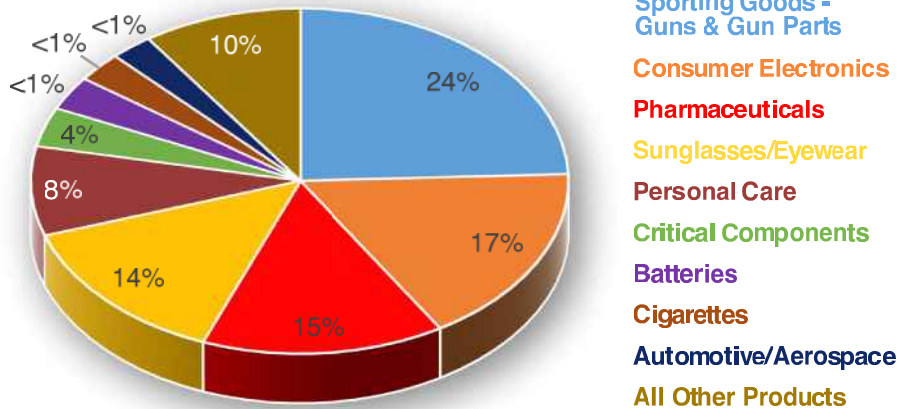
Mode of Transport	FY 2019		FY 2018		FY 2017	
	MSRP	% of Total	MSRP	% of Total	MSRP	% of Total
Express	\$ 553.5	36%	\$ 549.2	39%	\$ 429.3	36%
Mail	\$ 175.6	11%	\$ 197.3	14%	\$ 128.4	11%
Cargo	\$ 488.2	31%	\$ 447.9	32%	\$ 397.5	33%
Other	\$ 337.9	22%	\$ 205.4	15%	\$ 251.1	21%
Total	\$ 1,555.2		\$ 1,399.8		\$ 1,206.3	

Seizures

Mode of Transport	FY 2019		FY 2018		FY 2017	
	Seizures	% of Total	Seizures	% of Total	Seizures	% of Total
Express	15,811	57%	21,632	64%	20,417	60%
Mail	8,982	33%	9,643	29%	9,992	29%
Cargo	1,903	7%	1,673	5%	2,628	8%
Other	903	3%	862	3%	1,106	3%
Total	27,599		33,810		34,143	

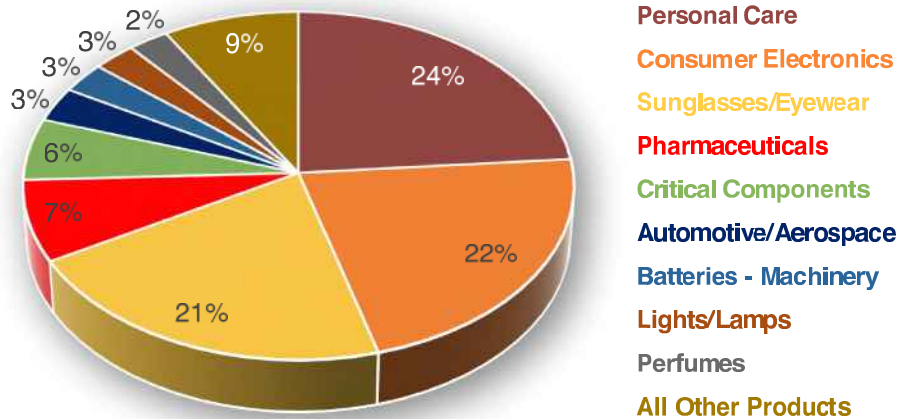
Health, Safety and Security

Fiscal Year 2019



Number of Seizures: 5,859

Fiscal Year 2018



Number of Seizures: 5,329

Fiscal Year 2019

Health, Safety and Security	Seizures	% of Total*
Sporting Goods - Guns & Gun Parts	1,428	24%
Consumer Electronics	989	17%
Pharmaceuticals	858	15%
Sunglasses/Eyewear	818	14%
Personal Care	490	8%
Critical Components	216	4%
Batteries	186	3%
Cigarettes	163	3%
Automotive/Aerospace	149	3%
All Other Products	562	10%

Number of Seizures

5,859

Fiscal Year 2018

Health, Safety and Security	Seizures	% of Total*
Personal Care	1,264	24%
Consumer Electronics	1,169	22%
Sunglasses/Eyewear	1,126	21%
Pharmaceuticals	403	8%
Critical Components	306	6%
Automotive/Aerospace	171	3%
Batteries - Machinery	152	3%
Lights/Lamps	144	3%
Perfumes	137	3%
All Other Commodities	457	9%

Number of Seizures

5,329

*Shipments with multiple types of products are included in the "All others" category. Because the individual percentage figures are rounded, in some cases, the sum of the rounded percentages for a given fiscal year is slightly higher or lower than 100 percent.

Exclusion Orders

CBP enforces exclusion orders issued by the ITC. The ITC issues both limited and general exclusion orders. Limited exclusion orders apply only to infringing articles of named respondents. General exclusion orders bar the entry of infringing articles by all. Most ITC exclusion orders are patent-based.

Exclusion orders prohibit the entry of all covered articles, even if they were not specifically accused and found to infringe by the ITC. Once excluded, subsequent importations of the same articles by the same importer are subject to seizure.

Fiscal Year 2019

Shipments Seized	Seizure Est. MSRP	New Exclusion Orders Issued	Total Active Exclusion Orders
372	\$3,664,553	15	114



Centers of Excellence and Expertise

Case: 1:21-cv-03680 Document #: 1-5 Filed: 07/12/21 Page 18 of 20 PageID #:99

Centers	Total MSRP	% of Total MSRP
Consumer Products & Mass Merchandising	\$1,000,628,016	64%
Apparel, Footwear & Textiles	\$383,694,303	25%
Electronics	\$117,028,274	8%
Machinery	\$27,810,170	2%
Pharmaceuticals, Health & Chemicals	\$9,234,202	1%
Automotive & Aerospace	\$9,868,483	1%
Agriculture & Prepared Products	\$3,882,013	0%
Industrial & Manufacturing Materials	\$1,225,896	0.1%
Base Metals	\$1,897,700	0.1%

Total FY 2019 MSRP

\$ 1,555,269,057

Centers	Total Seizures	% of Total Seizures
Consumer Products & Mass Merchandising	10,830	39%
Apparel, Footwear & Textiles	7,910	29%
Electronics	3,050	11%
Machinery	1,761	6%
Pharmaceuticals, Health & Chemicals	886	3%
Automotive & Aerospace	260	1%
Agriculture & Prepared Products	177	1%
Industrial & Manufacturing Materials	67	0%
Base Metals	8	0%
Seizures Involved More Than One Center	2,650	10%

Total FY 2019 Seizures

27,599



IPR Points of Contact

Questions? Contact the IPR Help Desk For Assistance - CBP's IPR Help Desk is staffed Monday through Friday to answer questions on IPR enforcement. Contact the IPR Help Desk via email at iprhelpdesk@cbp.dhs.gov.

Regulations, Rulings, and Recordation – Inquiries about CBP's IPR regulations may be addressed to Regulations and Rulings (RR) at hqiprbranch@cbp.dhs.gov. Ruling requests regarding articles potentially subject to an ITC exclusion order may be submitted to IPRBranch.ITC337.Rulings@cbp.dhs.gov. To request information on CBP's recordation program, please contact RR at iprrquestions@cbp.dhs.gov.

Guidance on CBP IPR Policy and Programs - The IPR and E-Commerce Division (IPR Division) coordinates with rights holders, members of the trade community, CBP staff, other Federal agencies, and foreign governments in developing and implementing the Agency's IPR strategy, policy and programs. To contact the IPR Division, email iprpolicyprograms@cbp.dhs.gov.

e-Allegations - If you are aware of or suspect a company or individual is committing IPR crime, please report the trade violation using CBP's e-Allegations Online Trade Violation Reporting System at <https://eallegations.cbp.gov/Home/Index2>. Trade violations can also be reported by calling 1-800-BE-ALERT.

National Intellectual Property Rights Coordination Center - To report violations of intellectual property rights, including counterfeiting and piracy, contact the National IPR Coordination Center at <https://www.iprcenter.gov/referral/> or telephone 1-866-IPR-2060.



Homeland
Security

www.cbp.gov/ipr
www.iprcenter.gov
CBP Publication # 1208-0820